

**ASSIGNMENT: CONTRACTUAL
CAPACITY(GROUP11)
COURSE: LAW OF CONTRACT 1(LCI201)**

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QUESTION.

Identify and discuss the legal issues in (a) – (d) below:

- a. Chukwuemeka, a 10 year old boy bought a 20 carat gold chain wrist watch worth ₦5million from Alhaji Aminu.
- b. Mr. Digbolugi, a well-known lunatic bought a ₦200 roasted corn and ₦100 worth of bottled water from Mama Dogood claiming he was hungry.
- c. Omuti, a notorious drunkard under the influence of alcohol entered into a contract with Mr. Smart to sell his brand new iphone 15 plus for a sum of ₦1000 which Mr. Smart promptly paid for.
- d. Alhaji Gudugudu who could neither read, write nor understand English language entered into a contract for a lease of his 5 acres of land at Ajibode Area of Ibadan to John Smith for a period of 10 years in the sum of ₦10 million, only for John Smith to produce a document of the transaction duly thumb printed by Alhaji Gudugudu which was titled, Land Sale Agreement..

a. ChukwuemSeka, a 10-year-old boy bought a 20-carat gold chain wristwatch worth ₦5 million from Alhaji Aminu.

Issue:

The central and most critical legal issue presented by this scenario is whether a contract for the purchase of a luxury item, specifically a 20-carat gold chain wristwatch valued at an exorbitant ₦5 million, entered into by Chukwuemeka, a 10-year-old boy, possesses legal validity and enforceability under the prevailing contract law.

Analysis

The fundamental rule stipulates that an individual attains full and unrestricted contractual capacity only upon reaching the age of majority, which is uniformly established at 21 years in Nigeria. This age threshold has been consistently applied in Nigerian courts by distinguishing adults from those who require legal protection in contractual dealings. Consequently, any person who has not yet reached this stipulated age is legally classified as a minor for all contractual purposes and, as such, possesses only a limited and circumscribed capacity to enter into binding agreements. Contracts involving minors are generally categorized into three distinct classes, each carrying different legal implications. Firstly, there are void contracts, which are considered null and without legal effect from their very inception, as if they never existed. Under the strictures of the *Infants Relief Act 1874*, certain types of contracts with minors are explicitly rendered absolutely void; these notably include contracts for goods other than necessities, agreements for money lent, and accounts stated. The implication of a contract being void is that it creates no legal rights or obligations for either party, and neither can seek to enforce it. Secondly, there are voidable contracts, which, unlike void contracts, are initially valid and enforceable but can be repudiated (rejected or set aside) by the minor, typically upon reaching the age of majority or within a reasonable period thereafter. This category often encompasses contracts relating to land, shares, or partnership agreements, granting the minor the crucial option to either affirm (ratify) or repudiate the agreement. Thirdly, there are valid contracts, which, despite the minor's age, are fully binding on them. The most significant and frequently invoked exception within this category is contracts for "necessaries" and, to a lesser extent, beneficial contracts of service. The

courts, as seen in *Adegbite v. Lawal* (2009) 1 NWLR (Pt. 1121) 1, consistently uphold the protective stance towards minors, emphasizing that their contractual obligations are limited.

The concept of "necessaries" forms the cornerstone of the exception that allows certain contracts with minors to be binding. **Section 3 of the Sale of Goods Act 1893** stipulates that a minor is indeed liable to pay a reasonable price for necessaries that have been sold and delivered to them. The definition of "necessaries" is not rigidly confined to the bare essentials required for survival, such as food, clothing, and shelter. Instead, it possesses a degree of flexibility, extending to goods and services that are deemed suitable to the minor's particular condition in life and are genuinely required by them at the precise time of sale and delivery. This nuanced definition necessitates a consideration of the minor's social status, their wealth, and their specific, actual needs. For example, while a basic meal is always a necessary, a bespoke suit might be considered a necessary for a wealthy minor attending a formal social event, whereas it would clearly not be for a minor from a less affluent background. This is found in the case of *Peters v. Fleming* (1840) 6 M & W 42. In this case, the court held that these items could potentially qualify as necessaries, depending on the minor's social standing. This judgment helped in establishing that the concept of necessaries extends beyond mere articles of bare subsistence to include items that are appropriate to the minor's circumstances, provided they are actually needed. The case of *Labinjoh v. Abake* (1924) 5 NLR 33 further clarifies the stringent test for necessaries, emphasizing that the goods must be suitable to the minor's actual requirements at the time of delivery, not merely suitable to their station in life. Critically, the burden of proving that the goods supplied are indeed necessaries, encompassing both their suitability to the minor's condition in life and their actual requirement by the minor at the time of the transaction (i.e., ensuring the minor was not already adequately supplied with such goods), rests squarely and entirely with the seller.

Furthermore, while the general unenforceability of minors' contracts is a protective shield, the doctrine of restitution may, in specific and limited circumstances, offer a remedy. If a minor has obtained goods through fraudulent means (for instance, by falsely misrepresenting their age) and still retains possession of these identifiable goods in their original form, a court of

equity might, in its discretion, compel the minor to restore the goods to the seller. However, it is imperative to note that courts are generally hesitant and reluctant to order such restitution if doing so would effectively amount to an indirect enforcement of a contract that is otherwise void or voidable, or if the goods have been consumed, dissipated, or are no longer identifiable. This judicial reluctance is underscored by the authoritative case of *Leslie v. Sheill* (1914) 3 KB 607. In this landmark decision, a minor had fraudulently misrepresented his age to secure a loan. The court unequivocally held that while the loan contract itself was void, the money lent could not be recovered by an action for restitution because such a recovery would constitute an indirect enforcement of a void contract. The court emphatically clarified that the doctrine of restitution applies only when the specific goods obtained by fraud remain identifiable and are still in the minor's actual possession. Moreover, *Leslie v. Sheill* firmly established that a minor's misrepresentation of their age, even if fraudulent, does not operate as an estoppel to prevent them from invoking or pleading infancy as a valid defense to avoid the enforcement of a contract. This means that even if Chukwuemeka had deceived Alhaji Aminu about his age, he would still be legally entitled to disclaim the contract due to his minority. The case of *Jennings v. Rundall* (1799) also supports the notion that a minor cannot be sued in tort for something arising directly from a void contract, reinforcing the protective stance.

Applying these well-established legal principles to the specific facts of Chukwuemeka's case, several critical points emerge with striking clarity. Firstly, Chukwuemeka, at the tender age of 10 years, falls significantly below the statutory age of majority (21 years) in Nigeria. Therefore, he is legally and unequivocally classified as a minor, possessing only a limited and restricted contractual capacity. This fact immediately places the transaction under the protective scrutiny of the law concerning minors, as highlighted by the general principles of contractual capacity for infants.

Secondly, the subject matter of the contract, a 20-carat gold chain wristwatch valued at an exorbitant ₦5 million, cannot, under any reasonable or legal interpretation, be categorized as a "necessary" for a 10-year-old boy. Regardless of any potential social standing or wealth that might be attributed to him, such an item is inherently a luxury, not an essential good or service required for his livelihood, education, or welfare. The facts explicitly confirm

that "the item in question is clearly not a necessity for a child of his age," thereby decisively removing the transaction from the crucial exception for necessities that would otherwise render it binding on a minor, consistent with the strict interpretation in *Labinjoh v. Abake (1924)*. The immense value of the watch, disproportionate to the needs of a child, further solidifies its classification as a non-necessary.

Thirdly, the provided facts offer no indication whatsoever that Chukwuemeka was accompanied by a parent or legal guardian during the transaction. The absence of such supervision or explicit parental involvement means that there is no basis to imply parental consent or subsequent ratification of the agreement, which might otherwise have lent some degree of validity to the contract. The transaction appears to have been conducted directly and solely between the minor and Alhaji Aminu.

The *Infants Relief Act 1874* categorize this contract as absolutely void, given that it is an agreement for goods other than necessities. Even under a more lenient common law interpretation, the contract would undeniably be voidable at Chukwuemeka's option, allowing him to disaffirm it, consistent with the general protective stance of Nigerian law as seen in *Adegbite v. Lawal (2009)*.

In conclusion, the contract entered into by Chukwuemeka, a 10-year-old minor, for the purchase of a ₦5 million luxury wristwatch from Alhaji Aminu is legally unenforceable against Chukwuemeka. The wristwatch, by its very nature and exorbitant price, clearly does not qualify as a "necessary" item for a child of his age, thereby precluding the application of the primary exception that would typically bind a minor to an agreement. Consequently, the contract is either void ab initio under the principles of the *Infants Relief Act 1874* or, at the very least, voidable at Chukwuemeka's discretion under common law. Alhaji Aminu's potential recourse would be narrowly confined, possibly to seeking restitution of the physical watch if it remains intact and identifiable in Chukwuemeka's possession, though even this remedy is often subject to judicial discretion and practical limitations, as highlighted by *Leslie v. Sheill (1914)*.

b. Mr. Digbolugi, a well-known lunatic bought a ₦200 roasted corn and ₦100 worth of bottled water from Mama Dogood claiming he was hungry.

Issue:

The primary legal issue arising from this scenario is whether a contract for the purchase of food and water, entered into by Mr. Digbolugi, who is explicitly identified as a "well-known lunatic," is legally valid and enforceable under Nigerian law, particularly considering his mental incapacity and the specific classification of the goods as "necessaries."

Analysis:

The contractual capacity of persons of unsound mind, frequently referred to as lunatics or mentally incapacitated individuals, constitutes a critical and protective facet of contract law designed to shield individuals who, due to their mental state, are genuinely unable to make rational and informed decisions regarding contractual obligations. The general rule dictates that a contract entered into by a person of unsound mind is typically voidable at their instance. However, for such a contract to be rendered voidable, two stringent conditions must be concurrently satisfied. Firstly, it must be demonstrably proven that the person was, at the precise moment the contract was formed, incapable of understanding the fundamental nature and consequences of the agreement. Secondly, it must be established that the other party to the contract, in this case, Mama Dogood was either actually aware of the mental incapacity or, given the circumstances, ought reasonably to have been aware of it. This dual requirement was affirmed in the landmark case of **Imperial Loan Co. v. Stone**, which held that a contract made by a person of unsound mind is voidable only if the other contracting party possessed knowledge of the mental incapacity. If the other party had no knowledge of the mental condition and the incapacity was not readily apparent, the contract would generally be considered valid, unless the incapacity was so patent that it should have been obvious to any reasonable observer, as discussed in **Onwuchekwa v. Nigerian Oil Palm Producers Ltd**, which emphasizes that the lack of understanding must be known to the other party.

Nevertheless, a crucial and significant exception exists for persons of unsound mind, mirroring the exception applied to minors, specifically concerning contracts for "necessaries." This exception is explicitly codified in **Section 3 of**

the Sale of Goods Act 1893. This section unequivocally states that "where necessities are sold and delivered to an infant or minor, or to a person who by reason of mental incapacity or drunkenness is incompetent to contract, he must pay a reasonable price therefor." This statutory provision underscores a policy objective: to ensure that even individuals lacking full contractual capacity due to mental infirmity are legally obligated to pay for essential goods that sustain their life and well-being. The definition of "necessaries" in this context, consistent with its application to minors, is not narrowly confined to mere subsistence items. Instead, it encompasses goods that are suitable to the person's condition in life and are genuinely required by them at the time of sale and delivery. This typically includes, but is not limited to, fundamental items for survival such as food, drink, shelter, clothing, and essential medical care. The underlying rationale for this vital exception is twofold: it ensures that incapacitated individuals can still procure and receive essential items necessary for their survival and daily functioning, while simultaneously protecting the legitimate interests of suppliers who provide these goods in good faith, preventing them from suffering losses when providing vital services. While the case of **Peters v. Fleming** primarily involved a minor, its broader principle, that individuals lacking full contractual capacity may nonetheless be held liable for necessities supplied to them, provided the goods are suited to their condition in life and meet their actual requirements, is equally applicable and persuasive in the context of persons of unsound mind.

In the specific facts of this scenario, Mr. Digbolugi is explicitly and prominently identified as a "well-known lunatic." This crucial factual detail carries significant legal weight because it creates a strong presumption that Mama Dogood, operating within the same community and likely aware of local reputations, "was, or ought to have been, aware of his mental state at the time of the transaction." This imputed knowledge directly satisfies the second condition required for a contract with a person of unsound mind to be deemed voidable, as per **Imperial Loan Co. v. Stone** and the principles discussed in **Onwuchekwa v. Nigerian Oil Palm Producers Ltd.** Consequently, if the contract had involved a non-essential item, or if there were any indications of exploitation or unconscionable conduct on Mama Dogood's part, the contract would almost certainly be voidable at Mr. Digbolugi's instance, allowing him to set it aside.

However, the precise nature of the goods purchased fundamentally and decisively alters the legal outcome. Mr. Digbolugi acquired ₦200 worth of roasted corn and ₦100 worth of bottled water, explicitly stating that he was hungry. Food (roasted corn) and drink (bottled water) are, without question, quintessential examples of "necessaries" as defined by law. They are absolutely essential for human sustenance and directly address his immediate, expressed need for nourishment. The combined total cost of ₦300 for these basic items appears entirely reasonable and proportionate to their value, and the provided facts offer no suggestion whatsoever that Mama Dogood engaged in any form of exploitation, overcharging, or acted in bad faith. Therefore, the transaction falls squarely and unequivocally within the "necessaries" exception as explicitly stipulated by Section 3 of the *Sale of Goods Act 1893*. This specific statutory exception operates to validate the contract for these essential items, thereby overriding the general rule of voidability that would otherwise apply to contracts with persons of unsound mind when it concerns non-essential goods. The law, in this particular instance, imposes a clear and binding obligation on Mr. Digbolugi to pay a "reasonable price" for these vital necessities, recognizing the societal need for incapacitated individuals to access fundamental goods, a principle reinforced by the spirit of *Peters v. Fleming (1840)*.

In conclusion, despite Mr. Digbolugi's status as a "well-known lunatic," which would generally render his contracts voidable, the specific transaction for roasted corn and bottled water is legally valid and fully enforceable. This is because the items purchased are unequivocally classified as "necessaries," supplied to meet his immediate and essential needs (hunger and thirst) at a reasonable and fair price. Mama Dogood is therefore legally entitled to recover the ₦300 for the goods supplied. This outcome perfectly illustrates the delicate balance that Nigerian law seeks to achieve: it prioritizes the protection of vulnerable and incapacitated individuals by generally allowing them to avoid contracts, but it simultaneously ensures that they can still obtain essential items for their survival, while also safeguarding the legitimate interests of those who provide such fundamental goods in good faith, preventing them from suffering losses when performing a necessary service, a balance evident in the application of Section 3 of the *Sale of Goods Act 1893*.

c. Omuti, a notorious drunkard under the influence of alcohol entered into a contract with Mr. Smart to sell his brand new iPhone 15 Plus for a sum of ₦1000 which Mr. Smart promptly paid for.

Issue:

The core legal issue presented in this complex scenario is the precise validity and ultimate enforceability of a contract entered into by Omuti, who is explicitly identified as a "notorious drunkard," while he was undeniably under the profound influence of alcohol. This is particularly critical given that the subject matter of the contract, a brand new iPhone 15 Plus, was sold for a grossly and shockingly undervalued price of merely ₦1000, thereby raising serious questions regarding Omuti's impaired contractual capacity and the strong potential for Mr. Smart to have taken undue advantage or engaged in unconscionable bargaining.

Analysis:

The legal principles governing the contractual capacity of intoxicated persons in Nigeria are, by and large, treated analogously to those applied to persons of unsound mind. These principles are rooted in common law traditions and are further supported by specific statutory provisions, such as **Section 28 of the Nigerian Contract Act (Mercantile Law)**, which implicitly acknowledges the diminished capacity arising from intoxication. The general rule dictates that a contract entered into by an individual who is so severely intoxicated as to be genuinely incapable of understanding the fundamental nature and consequences of the transaction is voidable at their option. However, for such a contract to be successfully rendered voidable, two critical conditions must typically be met with sufficient evidence. Firstly, it must be demonstrably proven that the person was, at the precise moment the contract was formed, so profoundly impaired by alcohol that they could not genuinely comprehend the terms and overall effect of the agreement. Secondly, and equally important, the other party to the contract, in this instance, Mr. Smart, the sober party must have been aware of the intoxication and the resulting incapacity of the intoxicated individual. **Akinfosile v. Ijose** serves as a highly relevant authority in this context, emphasizing the paramount importance of genuine capacity in the formation of any valid contract; in such a scenario, the

court would meticulously scrutinize whether the intoxicated party truly understood the agreement's implications. If the sober party knowingly proceeds with a contract despite being fully aware of the other's intoxication and incapacity, it raises profound questions regarding the fairness of the transaction and, crucially, the presence of true and unvitiated consent. Beyond the mere state of intoxication, the law extends its protective scrutiny to situations where one party exploits another's vulnerability, leading to the application of concepts such as unconscionable bargaining and undue advantage. **Unconscionable bargaining** occurs when the terms of a contract are so fundamentally unfair, oppressive, or one-sided that they "shock the conscience" of the court. It typically arises from a significant power imbalance between the contracting parties, where one party actively capitalizes on the other's inherent weakness, which could stem from factors such as illiteracy, mental infirmity, economic duress, or, as is pertinent here, severe intoxication. Nigerian courts have consistently and resolutely demonstrated a strong aversion to exploitative contracts, actively intervening to prevent such injustices. This firm judicial stance is vividly illustrated in cases such as ***Olowu v. Olowu*** and ***Osho v. Foreign Finance Corp***, which unequivocally demonstrate the judiciary's willingness and capacity to intervene and set aside agreements found to be unconscionable or tainted by undue influence, thereby upholding principles of fairness and equity. A glaring and disproportionate undervaluation of an asset, particularly when coupled with the evident vulnerable or impaired state of one of the parties, serves as a compelling and often decisive indicator of unconscionability. It is also a critical legal point that if an intoxicated person, upon subsequently regaining sobriety, explicitly affirms or ratifies the contract—for example, by continuing to act on its terms, accepting its benefits, or failing to repudiate it within a reasonable time—they may effectively lose their legal right to later repudiate it. Conversely, a timely and unequivocal repudiation upon regaining sobriety would render the contract void.

In this specific and troubling scenario, Omuti is explicitly characterized as a "notorious drunkard," and it is unequivocally stated that he was "under the influence of alcohol" at the precise moment he entered into the contract. This factual description powerfully suggests that Omuti was, at that time, profoundly impaired and genuinely incapable of understanding the true nature

and far-reaching consequences of agreeing to sell his "brand new iPhone 15 Plus" for the remarkably insignificant sum of merely ₦1000. The stipulated price represents an utterly "ridiculously low price" and a "gross undervaluation" for a contemporary, high-value smartphone, which, in itself, serves as a potent indicator of Omuti's severely impaired judgment and cognitive function at the time of the transaction.

Crucially, because Omuti is identified as a "notorious drunkard," it is highly probable, and indeed legally inferable, that Mr. Smart "would reasonably be aware of his condition." This imputed knowledge on Mr. Smart's part directly fulfills the second critical condition necessary for the contract to be rendered voidable due to intoxication, consistent with the principles in ***Akinfosile v. Ijose (1960)***. Mr. Smart's immediate and eager payment for such a grossly undervalued item, despite his likely awareness of Omuti's well-known reputation for drunkenness, strongly suggests that he may have actively taken "undue advantage" of Omuti's vulnerable and cognitively impaired state. This course of conduct by Mr. Smart aligns precisely with the legal concept of "unconscionable bargaining," a practice that Nigerian courts are steadfast in preventing and will not hesitate to penalize, as evidenced by cases like ***Olowu v. Olowu*** and ***Osho v. Foreign Finance Corp.*** The contract, under these specific circumstances, is not void *ab initio* (from its very beginning); rather, the vitiating factor of intoxication typically renders a contract voidable. This means the agreement is initially valid but remains susceptible to being set aside at Omuti's election. The fundamental absence of genuine consent on Omuti's part, directly and undeniably attributable to his impaired capacity caused by intoxication, stands as the primary vitiating factor in this agreement.

In conclusion, the contract entered into between Omuti and Mr. Smart is unequivocally voidable at Omuti's discretion. Upon regaining his sobriety and full cognitive function, Omuti possesses the clear legal right to rescind (cancel) the contract. To effectively exercise this right of rescission, he would typically be required to return the ₦1000 he received from Mr. Smart and, in turn, demand the immediate return of his brand new iPhone 15 Plus. Should Mr. Smart refuse to comply with this legitimate request, Omuti would have a robust and compelling legal basis to initiate a lawsuit for the recovery of his property or for damages incurred. The overwhelming evidence of the iPhone's severe undervaluation, coupled with Mr. Smart's highly probable awareness of

Omuti's notorious state of drunkenness, powerfully supports the argument that the contract was formed under unconscionable circumstances, thereby granting Omuti the undeniable legal right to avoid the agreement and seek appropriate redress, consistent with Nigerian courts' stance against exploitative contracts.

d. Alhaji Gudugudu who could neither read, write nor understand English language entered into a contract for a lease of his 5 acres of land at Ajibode Area of Ibadan to John Smith for a period of 10 years in the sum of ₦10 million, only for John Smith to produce a document of the transaction duly thumb printed by Alhaji Gudugudu which was titled, Land Sale Agreement.

Issue:

The central and multifaceted legal issues presented in this complex scenario are, firstly, whether a contract entered into by an illiterate person can be considered legally valid and enforceable under Nigerian law when the specific statutory protections meticulously designed for illiterates are demonstrably not observed. Secondly, and equally critically, the issue concerns whether the profound and irreconcilable disparity between Alhaji Gudugudu's clear intended agreement (a 10-year lease of his land) and the document subsequently produced and thumb-printed by him (an outright "Land Sale Agreement") constitutes a fundamental misrepresentation, a vitiating mistake, or a complete absence of consensus ad idem, thereby rendering the entire contract legally invalid.

Analysis

The contractual capacity of illiterates in Nigeria represents a unique and highly protective area of law. This framework meticulously balances the general presumption that an individual possesses the capacity to contract with the imperative need for specific protective measures, necessitated by the inherent vulnerability of illiterate persons in formal legal and commercial transactions.

The overarching general rule under Nigerian law is that illiteracy, in and of itself, does not automatically disqualify an individual from possessing the legal capacity to enter into a contract. An illiterate adult, like any other person of full age and sound mind, is presumed capable of forming a binding legal agreement.

However, precisely because of their heightened vulnerability and the significant potential for exploitation, Nigerian law imposes stringent and elevated responsibilities on the party who is dealing with an illiterate individual. The primary legislative instrument governing these contracts is the **Illiterates Protection Act, Cap I15 LFN 2004** (and analogous laws enacted in various Nigerian states, which largely mirror its provisions). This Act, in conjunction with a substantial body of relevant case law, mandates strict requirements to ensure that the illiterate person genuinely and fully understands the terms and implications of the agreement they are entering into. These key statutory mandates include: first, that the document must be thoroughly read over and explained to the illiterate person in a language they fully understand before they affix their signature or thumb-print to it; second, that a specific certificate, commonly referred to as an "Illiterate Jurat," which formally confirms that the document was indeed read and explained to the illiterate, and that they appeared to understand its contents, must be explicitly inserted into the document itself; and third, that the full name and address of the individual who performed the reading and explanation of the document to the illiterate must also be clearly included within the document. The profound legal consequence of failing to comply with these stringent statutory protections is that the contract can be rendered **voidable** at the instance of the illiterate person. In such circumstances, the burden of proof shifts squarely and unequivocally to the party relying on the document (i.e., the literate party) to affirmatively prove that there was full disclosure and that the illiterate person genuinely understood the contents of the agreement, particularly if the illiterate alleges misunderstanding or misrepresentation. This critical principle has been firmly established and consistently re-affirmed in seminal Nigerian cases such as *Ameh v. Ilesanmi Press Ltd (1986) 1 NWLR (Pt. 19) 751* and *U.A.C. v. Edems & Ajayi (1958) FSC 1*, where the courts have repeatedly set aside documents executed by illiterates under false or misunderstood terms due to non-compliance with the Act. Furthermore, *Osefo v. Uwaifo (1976) 11*

SC 89 reinforces the absolute necessity for strict adherence to these protective requirements, underscoring their mandatory nature, a stance reiterated in ***U.A.C. (Nig.) Ltd. v. Global Transport S.A. (1996) 5 NWLR (Pt. 448) 291***. The Supreme Court in ***Eze v. Okolonji (1997) 7 NWLR (Pt. 511) 118*** further clarified the heavy burden on the party relying on the document to prove compliance with the Act.

Beyond the specific provisions of the Illiterates Protection Act, general contract principles concerning genuine consent are equally paramount in assessing the validity of such agreements. A fundamental and indispensable principle of contract law is the requirement of *consensus ad idem*, which translates to a true "meeting of the minds" between the contracting parties on all essential terms of the agreement. If the parties are operating under a fundamental mistake regarding the very nature or subject matter of the contract, there is no genuine consent, and consequently, no true agreement. This can lead to a contract being void *ab initio*. **Misrepresentation**, which occurs when one party makes a false statement of fact that induces the other party to enter into the contract, can also vitiate consent. If the misrepresentation is fraudulent (meaning it was made knowingly, without belief in its truth, or recklessly as to its truth), it renders the contract voidable and may also give rise to an independent action in tort for deceit. A **fundamental mistake** as to the very nature of the document being signed, a doctrine known as *non est factum* ("it is not my deed"), can render the contract void *ab initio* due to the complete absence of consent. This occurs when a person signs a document believing it to be fundamentally different from what it actually is, provided their mistake was not due to their own carelessness. These principles are robustly supported by a lineage of authoritative cases. For instance, ***Bell v. Lever Bros Ltd***, while a complex case, broadly discusses how a fundamental mistake can be so profound as to vitiate consent. ***Smith v. Hughes*** highlights the critical implications when one party is mistaken about a fundamental term and the other party exploits that mistake. Furthermore, ***Griffith v. Brymer and Scriven Bros v. Hindley*** are frequently cited for the unequivocal principle that a clear absence of *consensus ad idem* on the subject matter of the contract is a sufficient ground to invalidate it.

Finally, the equitable doctrine of **unconscionability** plays a significant and

often decisive role in preventing manifest injustice. Where one party actively exploits the vulnerability, ignorance, or inherent weakness of another, particularly in situations involving a clear and undeniable power imbalance, courts of equity possess the inherent jurisdiction to intervene and set aside such "unconscionable" transactions. This equitable intervention is powerfully demonstrated in Nigerian jurisprudence through cases like ***Ajayi v. Texaco Nigeria Ltd (1987) 3 NWLR (Pt. 62) 577*** and ***Ayoade v. Spring Bank Plc (2013) 1 NWLR (Pt. 1334) 110***. Both judgments unequivocally affirm the Nigerian judiciary's unwavering commitment to ensuring that no party is permitted to benefit from deceitful, oppressive, or exploitative conduct, or from another's ignorance or inability to comprehend complex legal documents. The case of ***Igbokwe v. U.B.N. Plc (2008) 12 NWLR (Pt. 1098) 332*** further reinforces the courts' vigilance against unconscionable transactions involving illiterates.

In the specific and troubling facts of this scenario, Alhaji Gudugudu, despite his illiteracy, is presumed to possess the legal capacity to contract. However, the critical legal challenge arises from the conspicuous and profound failure to comply with the mandatory protective mandates of the Illiterates Protection Act. The facts explicitly state that Alhaji Gudugudu "could neither read, write nor understand English language," yet there is no mention whatsoever that the "Land Sale Agreement" was read over and explained to him in a language he fully understood. Furthermore, there is no indication of the presence of the statutorily required Illiterate Jurat, nor are the details of the person who supposedly read and explained the document included within it. This collective and glaring omission constitutes a direct violation of the Act's provisions, rendering the contract *prima facie* defective and, at the very least, voidable at Alhaji Gudugudu's instance, as established in ***Ameh v. Ilesanmi Press Ltd (1986)*** and ***U.A.C. v. Edems & Ajayi (1958)***. In any legal challenge, the burden of proof would shift to John Smith to affirmatively demonstrate that Alhaji Gudugudu genuinely understood the contents of the document, a task that appears insurmountable given the stated facts and the absence of the statutory safeguards, consistent with the rulings in ***Osefo v. Uwaifo (1976)*** and ***Eze v. Okolonji (1997)***.

Moreover, a fundamental and irreconcilable discrepancy exists between Alhaji Gudugudu's clear and stated intention to enter into a 10-year lease agreement for his 5 acres of land for a sum of ₦10 million, and the document that John

Smith subsequently produced and had him thumb-print, which was unequivocally titled "Land Sale Agreement" and implied an outright sale. This profound divergence between their respective intentions signifies a complete and utter absence of *consensus ad idem*. Alhaji Gudugudu genuinely believed he was entering into one distinct type of transaction (a lease), while the document he signed represented a fundamentally different and more onerous one (an outright sale). This situation strongly points towards either a fundamental mistake as to the very nature of the document being signed, which could potentially invoke the doctrine of *non est factum* and render the contract void *ab initio* due to a lack of genuine consent, as discussed in ***Bell v. Lever Bros Ltd (1932)***, or, more likely, a fraudulent misrepresentation on the part of John Smith, who deceptively drafted and presented a sale agreement when the clear understanding and agreement between the parties was for a lease. In either interpretation, such a fundamental mistake or fraudulent misrepresentation serves to vitiate genuine consent, thereby making the contract either void or, at the very least, voidable, consistent with principles from ***Smith v. Hughes (1871)***, ***Griffith v. Brymer (1903)***, and ***Scriven Bros v. Hindley (1913)***.

Finally, John Smith's conduct in actively exploiting Alhaji Gudugudu's illiteracy and vulnerability to secure a transaction that was fundamentally different from what was mutually agreed upon constitutes a clear instance of unconscionable behaviour. This deliberate act of capitalizing on Alhaji Gudugudu's disadvantage, particularly in a land transaction of significant value, would undoubtedly warrant equitable intervention by the Nigerian courts to prevent a manifest injustice and to protect the vulnerable party from exploitation, aligning with the principles established in ***Ajayi v. Texaco Nigeria Ltd (1987)*** and ***Ayoade v. Spring Bank Plc (2013)***, and further emphasized in ***Igbokwe v. U.B.N. Plc (2008)***.

In conclusion, the purported "Land Sale Agreement" between Alhaji Gudugudu and John Smith is highly unlikely to be upheld by Nigerian courts and is, in all probability, legally invalid. The contract is fundamentally defective and is poised to be declared either void *ab initio* due to a profound fundamental mistake and a complete absence of *consensus ad idem*, or, at the very least, voidable at Alhaji Gudugudu's instance. This voidability stems from John

Smith's egregious non-compliance with the mandatory provisions of the Illiterates Protection Act and his clear act of misrepresentation. Furthermore, John Smith's actions, characterized by the exploitation of Alhaji Gudugudu's illiteracy and vulnerability, constitute unconscionable conduct, which principles of equity will not permit to stand. Consequently, Nigerian courts would almost certainly set aside the purported "sale agreement," declare it unenforceable, and are likely to grant appropriate equitable relief to Alhaji Gudugudu. John Smith's reliance on a document that was fraudulently presented to an illiterate party will not withstand legal scrutiny, as the entire transaction fundamentally offends public policy, flagrantly violates the duty of fairness, and directly undermines the protective intent explicitly enshrined within Nigerian contract law.

GENERAL CONCLUSION

The detailed analysis of these four distinct scenarios meticulously illustrates the doctrine of contractual capacity. For **minors**, the law provides an extensive shield, particularly against contracts for non-necessaries. As seen in Chukwuemeka's case, the classification of goods as "necessaries" is rigorously applied, with cases like *Peters v. Fleming (1840)* and *Labinjoh v. Abake (1924)* guiding the interpretation, ensuring that minors are bound only by agreements essential for their well-being and not by improvident bargains for luxury items. The *Infants Relief Act 1874* and common law principles, as exemplified by *Leslie v. Sheill (1914)* and *Jennings v. Rundall (1799)*, combine to render such non-necessary contracts either void or voidable, prioritizing the minor's protection over commercial expediency, a stance consistently upheld in *Adegbite v. Lawal (2009)*.

Similarly, for **persons of unsound mind** and **intoxicated individuals**, the law recognizes their diminished cognitive abilities. Contracts entered into by such persons are generally deemed voidable, provided the other contracting party was aware of their incapacity, a principle firmly established in *Imperial Loan Co. v. Stone (1892)* and relevant in *Akinfosile v. Ijose (1960)*. This protective stance is, however, balanced by a crucial exception for "necessaries," as explicitly provided by Section 3 of the *Sale of Goods Act 1893* and exemplified

by Mr. Digbolugi's purchase. This exception ensures that fundamental needs can still be met, preventing a situation where incapacitated individuals are denied essential goods and services due to their legal status. The underlying policy here is to prevent unjust enrichment of the supplier while simultaneously ensuring access to life's essentials. For intoxicated persons, the courts also scrutinize for unconscionable bargaining, as seen in *Olowu v. Olowu* (1985) and *Osho v. Foreign Finance Corp.* (1991).

The position of **illiterates** in Nigerian contract law, as demonstrated by Alhaji Gudugudu's predicament, reveals a unique and stringent set of statutory safeguards. The *Illiterates Protection Act* imposes a heavy burden on the literate party to ensure full disclosure and understanding, moving beyond mere awareness of incapacity to active verification. Cases like *Ameh v. Ilesanmi Press Ltd* (1986), *U.A.C. v. Edems & Ajayi* (1958), *Osefo v. Uwaifo* (1976), *U.A.C. (Nig.) Ltd. v. Global Transport S.A.* (1996), and *Eze v. Okolonji* (1997) consistently reinforce these requirements. Failure to adhere to these mandatory provisions, especially when coupled with elements of misrepresentation (as discussed in *Smith v. Hughes* (1871)), fundamental mistake (as in *Bell v. Lever Bros Ltd* (1932), *Griffith v. Brymer* (1903), and *Scriven Bros v. Hindley* (1913)), or a complete absence of *consensus ad idem*, can invalidate the agreement. This reflects a strong public policy against exploitation of the uneducated and a commitment to ensuring that consent in such agreements is truly informed. The courts' vigilance against unconscionable transactions, as illustrated by *Ajayi v. Texaco Nigeria Ltd* (1987), *Ayoade v. Spring Bank Plc* (2013), and *Igbokwe v. U.B.N. Plc* (2008), further strengthens the protection afforded to illiterates.